

## STATE OF VERMONT

## HUMAN SERVICES BOARD

In re ) Fair Hearing No. 15,084

)

Appeal of )

)

INTRODUCTION

The petitioner appeals a decision of the Department of Social Welfare to reduce her Food Stamp benefits based on a decrease in shelter and utility costs deducted from her income.

FINDINGS OF FACT

1. The petitioner is a single woman who lives in an apartment she shares with a friend. Her sole source of income is \$538.91 per month in SSI income based upon her disability. She pays her friend \$300.00 per month to cover her rent and all utilities.
2. Prior to moving in with her friend, the petitioner had her own apartment for which she paid \$300 per month for rent, which included oil heat but not electric and gas charges which she had to pick up on her own. Those additional charges ran her over \$40 per month and the petitioner has unpaid electric and gas bills in connection with that residence totalling \$197. Her current ability to obtain utilities is not dependent upon her paying that overdue bill.
3. Upon receipt of the above information, the Department recalculated the petitioner's eligibility for Food Stamps and notified her by letter dated July 3, 1997, that her benefits would decrease from \$120 to \$27 on August 1, 1997, because her "allowed shelter and utility costs went down from \$415.54 to \$97.54" per month. The \$97.54 was derived by deducting a standard \$134 from her monthly income of \$538.91 and further deducting half of the balance, \$202.46, from the amount of her new shelter cost, \$300, to determine how much more than half of her income was needed to pay her housing expenses. The prior large shelter allowance was due to the assignment of a standardized utility allowance which was added on to her rent amount because the petitioner was liable for utilities in addition to her rent.
4. The petitioner agrees that her expenses have gone down since she moved, but not by \$97 per month. She says that her savings are more like \$40 per month and her Food Stamps should not have been reduced so drastically.

ORDER

The decision of the Department is affirmed.

### REASONS

Under the regulations (Food Stamp Manual § 273.10[e]), the Department has allowed the petitioner all the deductions from her income for which she qualifies---a "standard deduction" of \$134 (F.S.M. § 273.9(d)(1)) and a "shelter and utility deduction" (F.S.M. § 273.9(d)(5)) of \$97.54 from her gross income of \$538.91. This leaves the petitioner with a net "food stamp income" of \$307.37. The regulations (Procedures Manual § P-2590 C.) provide that this entitles the petitioner to \$27 per month in Food Stamps.

The petitioner was getting a larger shelter and utility allowance before because in addition to the \$300 she paid for rent, she was also granted a standard utility allowance of \$312 as a deduction for other utilities for which she was liable. When she pays rent and utilities as a flat amount, she is not entitled to the standard utility allowance. See P-2510 (E)(2)(e). If the petitioner were to split the actual amount of the utilities (either heat or heat and electricity) used in her apartment with her friend, she would likely be entitled to a prorated share (her half) of the utility allowance which could result in a significant increase in her Food Stamps. See P-2510(E)(2)(d), Fair Hearing No. 14,504. <sup>(1)</sup> As her shelter charges are currently structured, however, the Department has correctly calculated her Food Stamp deductions, and the decrease must be upheld.

# # #

1. Under the regulations, the household may use either the greater of their actual costs for fuel and utilities or a standard fuel and utility allowance established by the Department. F.S.M. Sec. 273.9(d)(6). For payments that include heat, the standard allowance is \$312, and for payments without heat it is \$117.